

Trading Power: West Germany's Rise to Global Prominence from Adenauer to Schmidt

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“We have become something like an economic great power,” remarked Willy Brandt in 1965. “That doesn’t just make friends for us in the world; for many we’ve grown too fat.” For this reason, he continued, outside observers were much more critical of Germany than they had been ten years earlier, on the tenth anniversary of the war’s end. Unfortunately, Brandt observed, certain members of the government did not understand “that we are no longer a military great power... and that because we are a divided country we cannot be a political power of the first rank either, as things stand.”

Brandt was speaking to a closed forum of the opposition Social Democratic Party, the party he chaired while also serving as mayor of West Berlin. His comments are indicative of the questions many German leaders were asking in the mid-1960s. Now that the Federal Republic of Germany (FRG), the western portion of the former German Reich, had achieved a certain stability and prosperity, what was its proper place in the world? Although Brandt was stressing here the limits of German power, he nevertheless expressed the conviction that the German people – he used the word *Volk* – had positive traditions of international relevance. His speech closed with a plea that Germany’s economic standing be reinforced by efforts to promote “the worldwide impact [*Weltgeltung*] of this people in intellectual, cultural, and scientific matters.”¹

Sentiments such as Brandt’s would later be flattened into a tired cliché about Germany as an “economic giant but a political dwarf.” But this phrase does no justice to the wide variety of aspirations harbored by Brandt and others of his generation, who clearly believed that economic prowess was not enough. Some pressed for a more equal status within the North Atlantic alliance, up to and including the sharing of nuclear weapons with France, Britain, or the United States. Others thought the time ripe for a more concerted push toward German unification. Later in the decade, the SPD would articulate a vision of West Germany as a principled bearer of peace and détente vis-à-vis the Soviet bloc. Meanwhile, the allure of European unification had not entirely faded in Bonn, despite the tremendous difficulty of cooperating with Gaullist France.

This great profusion of projects might well be attributed to the *Zeitgeist* of the 1960s, a time when the phenomenal success of the Western economies suggested that the “end of all crises” was at hand.² But the timing also reflects a kind of uncramping of German politics following the long-anticipated retirement of Konrad Adenauer. For fourteen long years, from 1949 to 1963, the Federal Republic’s founding chancellor had successfully advanced his priorities – above all the integration of the Bonn republic into Western economic and military institutions. Adenauer finessed West Germany’s admission to NATO; co-founded

¹ SPD-Parteirat, March 13, 1965, pp. 7-8: Archiv der sozialen Demokratie (AdsD), files of the SPD-Parteivorstand. All translations are by the author unless otherwise noted.

² Gabriele Metzler, “Am Ende aller Krisen? Politisches Denken und Handeln in der Bundesrepublik der sechziger Jahre,” *Historische Zeitschrift* 275, 1 (2002): 57-103.

the European Economic Community; and pioneered Franco-German partnership.³ Yet however momentous these achievements, the chancellor cautiously sidestepped many problems – and opportunities – arising from West Germany’s pivotal position within the Cold War and the Atlantic economy.

Adenauer’s departure thus touched off an era of creative experimentation in German foreign relations. This was facilitated by the weakness of his successors: Ludwig Erhard (1963-66), Kurt-Georg Kiesinger (1966-69), and Willy Brandt (1969-74) all suffered from an erosion of authority during their years in the Chancellor’s Office. As a result, cabinet members and politicians enjoyed unusual latitude in pursuing independent agendas. The result was sometimes chaotic, as talented ministers unfolded a range of potentially contradictory initiatives; but taken collectively, they represented a wide-ranging effort to explore the boundaries of what the Federal Republic could and could not hope to achieve in world affairs. It was a “learning process” that would, by the mid-1970s, set many of the patterns of German diplomacy for decades to come.⁴

This book presents a narrative account of that learning process. In chronological chapters, it traces the successes and failures of a generation of German political leaders at a time when the Bonn Republic still represented a substantial force in European, Atlantic, and world affairs. How did German ideas and initiatives help to shape the broader international system? How, in turn, did pressure from the international system serve to modify German priorities and expectations? Studying the interaction between German ambitions and the wider world can offer fresh perspectives on many levels – domestic and international, German and European. Ideally, this project will help to “internationalize” the study of Germany since 1945 while also encouraging scholars of American foreign relations – much the largest group of international historians – to pay closer attention to the independent activity of European and Asian governments in a globalizing era.

Alignment: Gaullism, Atlanticism, and the East-West Balance

“Western integration,” Adenauer’s classic solution to the problem of Germany’s geopolitical orientation, had begun to wear thin by the 1960s – largely because the Western camp itself was starting to disintegrate. Temperament, age, and a common European identity bound Adenauer to his French counterpart, Charles de Gaulle; the result was an exclusive friendship and consultation treaty with France, signed in January 1963.⁵ Relations with the United States suffered accordingly. Did Bonn really have to choose between Paris and Washington? Efforts to maintain some sort of balance would torment Adenauer’s successors for the next decade and a half. The largest German party, the Christian Democrat

³ The literature on Adenauer and his foreign policy continues to mushroom, but few works are more worthwhile than the two-volume biography by Hans-Peter Schwartz – available in English translation as *Konrad Adenauer: A German politician and statesman in a period of war, revolution, and reconstruction* (Providence: Berghahn, 1995-97).

⁴ On German history as a “learning process,” see Konrad Jarausch, *Die Umkehr. Deutsche Wandlungen 1945-2005* (Munich: DVA, 2004).

⁵ The most complete study is surely the two volumes by Ulrich Lappenküper, *Die deutsch-französischen Beziehungen, 1949-1963. Von der "Erbfeindschaft" zur "Entente élémentaire"* (Munich: Oldenbourg, 2001). A brief but useful discussion appears in Marc Trachtenberg, *A Constructed Peace: The Making of the European Settlement 1945-1963* (Princeton: Princeton University Press, 1999).

Union (CDU), threatened to dissolve into competing factions of “Gaullists” and “Atlanticists.”⁶ Historians have begun to consider the political fallout of this controversy, but it is less common to register in detail the vacillations in German policy occasioned by this persistent dilemma.

The question of basic alignment grew still more acute with Germany’s opening to Soviet Russia in 1969. No one in Bonn seriously advocated a return to the “pendulum” politics of the 1920s, when Germany exploited its Central European position by playing Eastern and Western powers against one another. But intensive consultations between Brandt and Soviet premier Leonid Brezhnev – coupled with a series of large-scale industrial agreements between German and Soviet firms – fueled alarmist rumors in the West. The CDU, in turn, tried to instrumentalize those fears in their efforts to undermine Brandt’s *Ostpolitik*. The extremes of partisan conflict in Germany evolved into a problem of European dimensions: the CDU very nearly toppled the Brandt government, thereby reversing the course of détente across the Continent. To reassure its allies and its domestic foes, the Social Democratic government responded by stressing the one potential alignment that had consensual support in the Federal Republic: a renewed emphasis on European identity. In this sense, at least, Bonn’s “choice for Europe” represented the lowest common denominator in German politics.⁷

Defensive vs. constructive mindsets

The era’s greater ambitions made for greater disappointments; most of the lessons learned were negative ones. West Germany would not become an active participant in UN peacekeeping missions. Unification between the Federal Republic and its Eastern counterpart, the German Democratic Republic (GDR), was nowhere in sight. All of the agonizing about a Multi-Lateral Force came to naught, for Bonn would be barred from participating in nuclear sharing arrangements. Sensing the precariousness of Germany’s newfound strength, some responded defensively, hoping at least to keep options open for the future. Consider, for example, the perspective of one foreign ministry official in 1966: “If we renounce all forms of atomic co-ownership, we will fall far behind in the constellation of international power; not only behind the USA and the Soviet Union, but also behind Britain and France, and in the long run maybe behind six or seven other states who keep the nuclear option open.”⁸ Fears about a loss of status, or of allowing Germany’s division to harden, would drive many on the right into rigid, defensive postures on a number of issues.

By and large the Social Democrats and their junior partners, the Free Democrats, responded more flexibly to the international constellation of the 1960s and 1970s. This applies most obviously to the realm of détente, where Brandt skillfully made a virtue out of

⁶ Ronald J. Granieri, *The Ambivalent Alliance: Konrad Adenauer, the CDU/CSU, and the West, 1949-1966* (New York: Berghahn, 2003); Reiner Marcowitz, *Option für Paris? Unionsparteien, SPD und Charles de Gaulle 1958 bis 1969* (Munich: Oldenbourg, 1996).

⁷ I am, of course, referring here to Andrew Moravcsik’s study *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca: Cornell University Press, 1998). Moravcsik studies four landmark “choices” for Europe, but leaves aside developments in the 1970s; in that respect, the present book will supplement that earlier work.

⁸ Karl Carstens, Aufz.: Stellungnahme zu dem Papier der SPD, Nov. 17, 1966, p. 5: BAK, NL Carstens, Bd. 640.

Germany's vulnerability to Soviet military power. But in other areas, too, SPD ministers learned to show constructive leadership in a European and Atlantic context. Karl Schiller, a highly influential minister of economics and finance, played a central role in outlining the parameters for European monetary unification. His successor, Helmut Schmidt, would understand even more clearly how to use German economic leverage to foster trans-Atlantic dialogue at a time when the Western alliance appeared to be fading. As the most articulate proponents of free trade and the free flow of capital in the 1970s, West Germans played an oft-neglected role in fostering what many now call “globalization.”

National interests and calculated sacrifices

If there was a natural check on the “constructive” attitudes described above, it lay in the increasing disdain of German leaders for the inflationary, high-deficit policies of their major trading partners. For a time, officials in government and at the Bundesbank hoped that German virtues – low inflation and fiscal responsibility – could be imprinted upon the European Community and the international monetary system as a whole. But the collapse of the Bretton Woods system and the “oil shock” of 1973-74 left West Germans in a deeply pessimistic mood. Resentful at Germany’s classic role as “paymaster” to the European Community, the Brandt and Schmidt cabinets balked at massive transfers to the new regional aid program – which was earmarked for Scotland, southern Italy, and other peripheral areas.

There were, to be sure, a handful of idealists in Bonn who explicitly favored economic concessions for the sake of European unity even if this entailed higher inflation in Germany or billions spent bailing out European partners. Others pleaded for substantial investments in Eastern Europe – a kind of reparations program disguised as economic partnership. By 1973, however, the moral fervor of Brandt’s *Ostpolitik* had given way to a more jaundiced view of relations with the communist world. A “quid pro quo” mentality dictated that any financial investments in the East must be balanced by political concessions – the emigration of ethnic Germans from Poland, for example. Similar pressures explain why the German delegation at the Helsinki Conference held so fiercely to the principle of peaceful border changes in Europe.

On balance, then, the Federal Republic had developed by the mid-1970s into a power that was “tamed” militarily, but that defended its interests unapologetically. Bonn’s relations with the developing world underline this trend as well: insisting that trade and politics must not mix, Brandt’s government fostered close relations with such disparate regimes as monarchist Iran, apartheid South Africa, and Salvador Allende’s Chile. Most significant, of course, was the lack of conviction concerning German war crimes in the East. A close study of German policy in the 1960s and 1970s can help illuminate the shortcomings of Brandt’s *Ostpolitik* – why it failed to promote compensation for slave labor, for example. Confident to the point of arrogance over the success of the postwar German economy, few Germans contemplated what connections might be drawn between the plunders of war and the prosperity that followed.